



SEP 15 '97 1 40 FROM ARTHUR ANDERSEN

PAGE .006

SCHEDULE C CHEF GARCIA C

54-1285691 Page 2

## SCHEDULE C Cost of Goods Sold (See Instructions)

1. Inventory at beginning of year	194,818
2. Purchases	1,131,929
3. Cost of labor	
4. Additional section 263A costs (attach schedule)	
5. Other costs (attach schedule)	
6. Total. Add lines 1 through 5	1,526,747
7. Inventory at end of year	508,535
8. Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	1,018,212

9a. Check all methods used for valuing closing inventory.

(i)  Cost as described in Regulations section 1.471-3  
 (ii)  Lower of cost or market as described in Regulations section 1.471-4  
 (iii)  Other (Specify method used and attach explanation) ►

b. Check if there was a写down of LIFO inventory as described in Regulations section 1.471-2(c).

c. Check if the LIFO inventory method was adopted this tax year for any goods. (If checked, attach Form 970.) ►

d. If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO.

e. If property produced or acquired for resale, do the rules of section 263A apply to the corporation?

f. Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If Yes, attach explanation. ►

 Yes  No Yes  No

## SCHEDULE C Dividends and Special Deductions (See Instructions)

	(a) Dividends received	(b) Special deductions
1. Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)	70	
2. Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)	80	
3. Dividends on debt-financed stock of domestic and foreign corporations (section 246A)	52	Instruction
4. Dividends on certain preferred stock of less-than-20%-owned public utilities	42	
5. Dividends on certain preferred stock of 20%-or-more-owned public utilities	48	
6. Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction	70	
7. Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction	80	
8. Dividends from wholly-owned foreign subsidiaries subject to the 100% deduction (section 245(b))	100	
9. Total. Add lines 1 through 8. See instructions for limitation	202	
10. Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11. Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))	100	
12. Dividends from affiliated foreign corporations subject to the 100% deduction (section 245(e))	100	
13. Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11		
14. Income from controlled foreign corporations under subpart F (attach Form(s) 5471)		
15. Foreign dividend gross-up (section 78)		
16. IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 245(d))		
17. Other dividends		
18. Deduction for dividends paid on certain preferred stock of public utilities		
19. Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1		

20. Total special deductions. Add lines 9, 10, 11, 12, and 16. Enter here and on line 2b, page 1. ►

## SCHEDULE C Compensation of Officers (See Instructions)

Complete Schedule C only if total salaries (line 1a) plus lines 4 through 10 on page 1 (Form 1120) are \$500,000 or more.				
(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Common stock owned	(e) Nonstock compensation
1.				
2.				
3.				
4.				

2. Total compensation of officers

3. Compensation of officers claimed on Schedule A and elsewhere on return

4. Subtotal of lines 2, Enter the total (checkmark) on line 12, page 1

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SEP 15 1997 1-42 FROM ARTHUR ANDERSEN

PAGE 008

Name: CHIEF GARCIA C.

54-1285691 rev. 4

Statement of Balance Sheet per Books		Beginning of year (d)	Change (d)	Ending of year (d)
	<b>Assets</b>			
1. Cash		65,841		89,932
2a. Trade notes and accounts receivable		388,741		26,341
b. Less allowance for bad debts		78,157		10,432
3. Inventories		494,811		609,515
4. U.S. government obligations				
5. Tax-exempt securities (see instructions)				
6. Other current assets (attach schedule) <b>SEE</b>		210,996		223,864
7. Loans to stockholders				
8. Mortgage and real estate loans				
9. Other investments (attach schedule)				
10a. Buildings and other depreciable assets		2,083,932		2,159,098
b. Less accumulated depreciation		1,379,360		1,371,249
11a. Depreciable assets				
b. Less accumulated depreciation				
12. Land (not of any amortization)				
13a. Intangible assets (amortizable only)				
b. Less accumulated amortization				
14. Other assets (attach schedule) <b>SEE</b>		49,986		49,985
15. Total assets		1,835,550		1,983,077
	<b>Liabilities and Stockholders' Equity</b>			
16. Accounts payable		512,535		626,618
17. Mortgages, notes, bonds payable in less than 1 year		195,456		292,776
18. Other current liabilities (attach schedule) <b>SEE</b>		392,356		327,165
19. Loans from stockholders				
20. Mortgages, notes, bonds payable in 1 year or more				
21. Other liabilities (attach schedule) <b>SEE</b>		757,069		610,997
22. Capital stock: a. Preferred stock		1,970,627		2,072,804
b. Common stock		1,100		1,100
23. Paid-in or capital surplus		64,874		64,876
24. Retained earnings—Appropriated (attach schedule)				
25. Retained earnings—Unappropriated		-2058,466		-2013,259
26. Less cost of treasury stock				
27. Total liabilities and stockholders' equity		1,835,550		1,983,077

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than \$25,000.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See Instructions)**

1. Net income (loss) per books	45,207	7. Income recorded on books this year not included on this return (itemize):	
2. Federal income tax		8. Deductions on this return not charged against book income this year (itemize):	
3. Excess of capital losses over capital gains		a. Depreciation	\$
4. Income subject to tax not recorded on books this year (itemize)		b. Contributions carryover	\$
5. Expenses recorded on books this year not deducted on this return (itemize):		9. Add lines 7 and 8	
a. Depreciation	\$	10. Income (line 2, page 1) less line 9	45,207
b. Contributions carryover	\$		
c. Travel and entertainment	\$		
6. Increases in inventories	45,207		
7. Increases in intangibles			
8. Increases in goodwill			
9. Increases in other assets			
10. Increases in long-term assets			
11. Increases in current liabilities			
12. Increases in long-term liabilities			
13. Other increases (itemize)			
14. Add lines 1-2 and 3			
15. Add lines 1-2 and 3			

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1. Balance at beginning of year	2058,466	5. Distributions: a. Cash	
2. Net income (loss) per books	45,207	b. Stock	
3. Other increases (itemize)		c. Property	
		6. Other decreases (itemize)	
4. Add lines 1-2 and 3	2013,259	7. Add lines 5 and 6	
		8. Balance at end of year (line 4 less line 7)	2013,259